

Date Mailed
December 22, 1998

BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Joint Application of Northern States Power Company-Wisconsin,
Northern States Power Company-Minnesota, and Dairyland
Power Cooperative for Authority to Construct and Place in
Service Electric Transmission Lines and Electric Substation
Facilities for the Chisago Transmission Project, Located in
Chisago County, Minnesota, and Polk County, Wisconsin

1515-CE-102
4220-CE-155

NOTICE OF HEARING

Direct Testimony Due:	January 22, 1999 – 4:30 p.m.
Rebuttal Testimony Due:	February 1, 1999 – 4:30 p.m.
Hearing Dates:	February 8, 1999 – 1:30 and 7:00 p.m. February 15, 1999 – 1:30 and 7:00 p.m. February 9, 10, 11, 16, 17, and 18, 1999 – 9:00 a.m.
Hearing Location: February 8, 9, 10, 11, 15, 16, and 17, 1999	Trollhaugen Convention Center, 2232 100th Avenue, Dresser, Wisconsin 54009 (Phone : 715-755-2955)
Hearing Location: February 18, 1999	Community Hall, 115 Main Street Dresser, WI 54009

On September 6, 1996, Northern States Power Company-Wisconsin (NSPW), Northern States Power Company-Minnesota (NSPM), and Dairyland Power Cooperative (DPC) filed an application with the Public Service Commission of Wisconsin (Commission) for authority, under Wis. Stat. §§ 196.49 and 196.491, and Wis. Admin. Code chs. PSC 111 and 112, to construct new electric facilities. The original application proposed to construct two projects: 1) the Chisago Electric Transmission Line Project, which includes construction of a 38-mile 230 kV (230,000 volt) "Chisago-Apple River" electric transmission line from the Chisago County Substation near Stacy, Minnesota, to the Apple River Substation near Amery, Wisconsin; and 2) the Stone Lake-Bay Front Electric Transmission Line Project, which includes construction of

a 161 kV “Stone Lake-Bay Front” electric transmission line in Wisconsin from the Farmers Inn Substation in Hayward to the Bay Front Substation in Ashland.

In October 1997, NSPW requested that the Commission consider the Stone Lake-Bay Front Electric Transmission Line Project as a separate project. In November 1997, the Commission granted this request and established a separate docket for the Stone Lake-Bay Front Electric Transmission Line Project (docket 4220-CE-157). After hearings in this docket, the Commission authorized the construction of the Stone Lake-Bay Front Electric Transmission Line Project on April 30, 1998.

NOTICE IS GIVEN that this matter is a Class 1 proceeding as defined in Wis. Stat. § 227.01(3)(a).

The Commission will hold a public hearing on the proposed Chisago Electric Transmission Line Project. The public hearing will occur at the Trollhaugen Convention Center, 2232 100th Avenue, Dresser, Wisconsin 54009 and the Dresser Community Hall, 115 South Main Street, Dresser, Wisconsin according to the schedule given on the preceding page. Further hearing will continue, if necessary, at times and places designated by the presiding examiner. While members of the public can testify on matters of interest to them at any time during the hearings, it is suggested that, for their convenience, people affected by the portions of the project west of Highway 35 (north of USH 8) and west of CTH Y testify on February 8 to 11, 1999. People affected by the portions of the project east of Highway 35 (north of USH 8) and east of CTH Y testify on February 15 to 17, 1999. At the evening hearings on February 8 and 15, 1999, members of the public from both areas will be able to testify.

These buildings are accessible to people in wheelchairs. Any person with a disability who needs additional accommodations should contact Udaivir Sirohi at (608) 266-2806.

The Commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this proceeding or who needs to get this document in a different format should contact the case coordinator listed below.

The record of this public hearing will be the legal basis for the decisions that the Commission will make on this application. Property owners and any other persons with interests or concerns about the proposed project are strongly urged to participate in the public hearing.

Interests or concerns expressed outside of the hearing, or after the hearing is closed, cannot be used by the Commission to make its decision.

Full parties shall file an **original and 20 copies** of direct and rebuttal testimony with the Commission and shall provide a copy to other full parties. Direct testimony is due in hand by **4:30 p.m. on January 22, 1999**. Rebuttal testimony is due in hand by **4:30 p.m. on February 1, 1999**. Surrebuttal testimony is due in hand on February 8, 1999, at 1:30 p.m. in the hearing

room. A filing with the Commission may be made by fax for direct and rebuttal testimony, but the document filed by fax cannot exceed 20 pages. In addition, fax filings are due one day earlier than the above dates to allow time for copying. The cover sheets of a fax filing must state "Official Filing" and the number of pages. Copies of the Commission staff's direct testimony and rebuttal testimony may be obtained by calling Barbara Pickhardt at (608) 266-5990 or by writing to her at the following address: Electric Division, Public Service Commission, P.O. Box 7854, Madison, WI 53707-7854. Such a written request must refer to dockets **1515-CE-102 and 4220-CE-155**. Copies of testimony will also be available at the hearing. Members of the public who are not full parties may testify at the hearings **without pre-filing testimony prior to the hearing**.

Persons intending to participate as a full party must indicate such interest in writing, referencing dockets 1515-CE-102 and 4220-CE-155, to Donna L. Paske, Hearing Examiner, Public Service Commission, P.O. Box 7854, Madison, WI 53707-7854. Any request for full party status should include a **fax number for reply**. Please note that persons listed on the project mailing list do not automatically acquire full party status. Full party status is only granted by request.

The Commission considers it necessary in order to carry out its duties to investigate the books, accounts, practices, and activities of the applicants. The expenses incurred or to be incurred on this investigation by the Commission will be assessed against and collected from the Applicants, in accordance with the provisions of Wis. Stat. § 196.85, and Wis. Admin. Code ch. PSC 5.

Need for the Project

DPC, NSPM, and NSPW state that the Chisago Electric Transmission Line Project is required to maintain adequate electric service to northwestern Wisconsin and the Taylors Falls area of east-central Minnesota. They propose to maintain customer service reliability by building new electric transmission facilities to meet the growing electric energy needs of these areas. The proposal would require construction of the transmission lines, substations, and associated facilities described as the following:

- ?? Construct a new 38-mile 230 kV transmission line between the Chisago County Substation near Stacy, Minnesota, and the Apple River Substation near Amery, Wisconsin;
- ?? Construct a new Lawrence Creek Substation near Taylors Falls, Minnesota;
- ?? Construct a new 15-mile 115 kV transmission line between the Chisago County Substation and the new Lawrence Creek Substation;
- ?? Rebuild the existing 69 kV transmission line between the proposed Lawrence Creek Substation and the Apple River Substation;

?? Install a new 345/230 kV transformer and 230 kV substation at the Chisago County Substation;

?? Install a new 230/161 kV transformer and 230 kV substation at the Apple River Substation.

Project Location

The new 230 kV line would pass through Minnesota and Wisconsin. It would start at the Chisago Substation near Stacy, Minnesota, traverse the St. Croix River, and extend eastward to the Apple River Substation near Amery, Wisconsin (see Figure 1).

The applicants have proposed three St. Croix River crossings for the new 230 kV line. One is about ¼ mile north of US Highway 8 at the hydroelectric dam in St. Croix Falls. Another is about 4 ½ miles north of St. Croix Falls in an undeveloped area. The third is about 3 miles southwest of St. Croix Falls at an existing Viking gas transmission pipeline crossing.

The proposed 230 kV line would continue east from the St. Croix River about 17 miles to connect to the Apple River Substation in Amery, Wisconsin. Several alternative routes were proposed in the project application. During its review, the Commission staff proposed some additional route segments as alternatives to consider. These route segments are in the city of St. Croix Falls, along US Highway 35 south of St. Croix Falls, along US Highway 8 between 208th Street and 150th Street, and a short segment along State Highway 46 south of US Highway 8. All of the route segments are shown in the attached Figure 2 and described in the final Environmental Impact Statement.

Project Schedule and Cost

If the Commission and the Minnesota Environmental Quality Board approve the application, the Applicants plan to complete the project in 2002.

The total estimated cost of the transmission lines, substations, and associated facilities as proposed in the application is between \$50 and \$58 million, depending on the route selected. All Northern States Power Company system costs are apportioned 85 percent to NSPM ratepayers and 15 percent to NSPW ratepayers. DPC will build and pay for the project portions from the St. Croix River Crossing to DPC's Apple River Substation that are not on the NSPW's existing right-of-way. DPC will also pay for additions and improvements at its Apple River Substation.

The applicants propose to finance the project from funds generated internally or from the issuance and sales of securities, or both.

Environmental Analysis

This is a Type II action under Wis. Admin. Code § PSC 4.10(2). Normally this action would require the preparation of an environmental assessment. However, after an initial review of the proposed project, the Commission's Environmental Affairs Coordinator, Kathleen Zuelsdorff, determined that an Environmental Impact Statement (EIS) would be prepared. Copies of the draft EIS were sent in September 1998 for public review to the locations listed below.

The final EIS will also be sent for public review after December 15, 1998, to these locations. More than 400 copies of the draft EIS were also distributed to individuals or groups who requested them. These individuals or groups will also receive copies of the final EIS after December 15, 1998. Copies of the final EIS may be obtained by calling Barbara Pickhardt at (608) 266-5990 or by writing to her at the following address: Electric Division, Public Service Commission, P.O. Box 7854, Madison, WI 53707-7854. Persons with questions or comments on the environmental aspects of this case may contact Kathy Zuelsdorff, the Commission environmental analyst, at 608-266-2730 (e-mail address: zuelsk@psc.state.wi.us) or at the following address: Electric Division, Public Service Commission, P.O. Box 7854, Madison, WI 53707-7854.

Availability of Application and Environmental Impact Statements

For the purpose of public notice and information, and in accordance with Wis. Stat. § 196.491(3)(a), and Wis. Admin. Code § 4.30(4), copies of the application and the draft EIS were sent to the following locations: the public libraries in Amery, Balsam Lake, Centuria, and St. Croix Falls; the county clerk of Polk County; the town clerks of Apple River, Osceola, and St. Croix Falls; the city clerks of Amery and St. Croix Falls; and the village clerks of Balsam Lake and Dresser. Copies of the final EIS for public review will also be sent to these locations after December 15, 1998.

Project Review and Approval

The Minnesota Environmental Quality Board will make decisions regarding the portion of the project that is located in Minnesota. Similarly, the Commission will approve, modify, or deny the portion that is located in Wisconsin. **The Commission will base its decision, as stated above, on the record of its public hearing.**

Dockets 1515-CE-102/4220-CE-155

Project Contacts

You may contact case coordinator, Udaivir S. Sirohi, Electric Division, at (608) 266-2806 or e-mail at sirohu@psc.state.wi.us for general questions about this project. Please contact Donna L. Paske, Hearing Examiner, at (608) 266-7173 for specific questions about the hearing process.

Dated at Madison, Wisconsin, _____

By the Commission.

Lynda L. Dorr
Secretary to the Commission

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